

ARTICLE APPEARED
ON PAGE 3BOSTON GLOBE
22 February 1985

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CIA study shows 2% rise in Soviet military budget

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WASHINGTON - The Soviet military budget has grown by only 2 percent a year since 1976 and Soviet spending on weapons systems since then has not grown at all, according to a Central Intelligence Agency report released yesterday.

The report notes that even with the stagnation, "spending levels were so high that the [Soviet] defense establishment was able to continue to modernize its forces and to enhance substantially its military capabilities."

Still, the Soviets appear to be producing far fewer weapons than they did in 1966-76, the report says, when the Soviet military budget was routinely increasing at a rate of 4-5 percent a year.

The CIA reported the same estimate last year, but it was dismissed by Defense Secretary Caspar Weinberger as a temporary aberration, reflecting a pause between the dismantling of old weapons systems and the beginnings of new ones. However, the new CIA report contradicts this argument, stating, "The stagnation in the level of [Soviet weapons] procurement lasted for at least seven years - from 1977 to 1983. This plateau arguably lasted too long to be the result exclusively of bottlenecks or technological problems.

"In a period so long, the leadership of the Soviet Union could have used its control of industrial priorities to ensure a higher rate of growth. . . . Older-generation weapons could have been kept in production while problems with new systems were ironed out, or once the problems were overcome, the new systems could have been produced at catch-up rates. We believe they chose to pursue neither alternative."

The report was presented to the congressional Joint Economic Committee in November by Robert Gates, the CIA's deputy director for intelligence. It was only recently declassified and was publicly released yesterday by Sen. William

Proxmire (D-Wis.), a subcommittee chairman.

Weinberger has frequently said the Soviet arms arsenal is expanding at "unprecedented" rates as an argument to justify high levels of growth in US defense spending. He is requesting 6.6 percent real growth in defense budget authority for fiscal year 1986.

Proxmire said yesterday, "It is time for Washington to take official notice that Soviet military procurement has been stagnant for the past seven years, and to stop acting like nothing has changed."

The report says weapons procurement in 1983 "may have experienced some modest growth over 1982." However, it emphasizes this conclusion is "tentative" and attributes it to one of three possibilities. The tentative figure may be revised downward "as we collect more information about the pace of weapons production," which is what happened last year. Or the modest growth may "lie within the range of the year-to-year fluctuations of the previous six years and does not signify a new trend." Or it may be "an early indicator of a return to more rapid growth."

The report gives two possible reasons for the general stagnation in Soviet weapons purchases. "The Soviets could be experiencing some difficulty . . . in solving technological problems encountered in producing new weapons," compounded by "shortages of key materials and transportation problems that affect-

ed much of Soviet industry since the 1970s."

Or, the report suggests, the decline may have been a deliberate decision by the Soviet leadership to divert resources from the military to the civilian economy. "Whatever the reason for the continued restraint on military procurement," the report says, "it did give the economy some breathing space."